



Accountant General - Exemption Committee

Protocol number 5139

General details

The applicant office	Accepted by the exemption committee	Discussion date	Completion date
Ministry of Welfare	26.01.2025	04.03.2025	24.03.2025

Requested contact information

Subject of the engagement	Purpose of referral	Legal regulation	Committee decision date	Contact number
Providing material assistance in social services departments	Connection confirmation	3(30)	24.03.2025	8001392449

Committee members present

Benjamin Menachem
Galia Yamin
Jonathan Resnik

role

Senior Deputy Accountant
General Legal Advisor
Senior Deputy Accountant General

Committee role

Committee Chairman
Legal advisor
Committee member

Committee decision

The committee decides on: Approval of the contract according to Regulation 3(30) of the Mandatory Tender Regulations

Contract period exempt from tender

Notes: The ministry's share is 70,000,000 NIS

Suppliers

Supplier name	H.P.	Supplier status	Provider type
The Friendship Foundation (AR)	580360238		

Period details

First date	First date	End date	End date	estimate	Approved amount	currency
in demand	approved	in demand	approved			
01.04.2025	01.04.2025	31.03.2027	31.03.2027	140,000,000	140,000,000	Israeli shekels New

Contract period Right of option (option) Notes:

The firm's share is 35,000,000 NIS

Period details

First date	First date	End date	End date	estimate	Approved amount	currency
in demand	approved	in demand	approved			
01.04.2027	01.04.2027	31.03.2028	31.08.2028	70,000,000	70,000,000	Israeli shekels New

Discussion and Reasoning

- 1.The Ministry of Welfare and Social Security (hereinafter – the Ministry) wishes to enter into an agreement with the Friendship Foundation (hereinafter – the Foundation) for the purpose of operating a joint venture to provide material assistance in social services departments.
- 2.The goal of the program is to assist in providing basic needs to people living in poverty during an economic crisis, with the areas of assistance in which the program operates being: food, housing, clothing and footwear, medical needs, basic furniture, basic electrical products and supportive care.
- 3.The foundation works in collaboration with 3 different administrations in the ministry: Families, Senior Citizens and the Shalom Administration (Rehabilitation, Support and Prevention);

This allows for a response to a diverse population such as families and individuals, victims of domestic violence, senior citizens, and Holocaust survivors.

4.The service is mediated to the citizen by the welfare departments in the local authorities, which examine the supply of the required assistance from among the pool of suppliers offered by the fund. The workers in the departments are responsible for entering new requests, the approval of which is subject to the professional discretion of the department manager. For an approved request, a voucher is provided, which constitutes an obligation of the fund to the supplier to pay the specified amount in accordance with the supply of the product that appears on the voucher.

5.For each voucher issued, the employee ensures that the invoice is received from the supplier and verifies that the approved product was indeed supplied. At the end of the process, the fund charges the office 50% of the cost of the voucher in accordance with the issuance documentation and the production of an invoice. At any time, department managers may view approved requests or those awaiting approval in the system.

6.Since June 2020, the ministry has entered into a number of agreements with the foundation for material assistance in social services departments.

7.The latest contract was approved pursuant to Regulation 3(30) of the Tender Mandatory Regulations for the period from 01.04.2022 to 31.03.2023 in the amount of 70,000,000 NIS, plus an option for the period from 01.04.2023 to 31.03.2025 in the amount of 140,000,000 NIS. The overall share of the firm was 50%.

8.The service is provided to citizens through the welfare departments of local authorities, which select the service from the fund's pool of providers.

9.According to the ministry, the partnership with the fund has created advantages that did not exist before: speed of assistance to those in need (especially critical in emergency situations); doubling the amount of assistance that was previously available, as the fund doubles the assistance budget available to the ministry.

10.Also, according to the ministry, there are several additional advantages to contracting with the fund:

10.1.The fund has a network of connections and payments with local service providers throughout the country and nationwide networks.

10.2.The fund has a central information system that allows for the allocation and management of a budget to social services departments, which allows for the definition of various areas of assistance and the application of assistance restrictions linked to the areas of assistance.

10.3.The foundation has years of experience working with all social services departments across the country.

10.4.A broad organizational activity envelope that includes regional and national activity coordinators and a telephone support center.

11.The ministry examined the engagement in accordance with the provisions of the Strategic Plan 7.8.3, whether it was a joint venture, or support for public institutions according to Section 3A of the Budget Fundamentals Law, and addressed the following points:

11.1.The service is provided pursuant to the provisions of IAS 3.16 for families and senior citizens, with the ministry being responsible for determining the criteria for eligibility and the manner of receiving the service, the types of assistance that will be provided, and performing supervision through the districts.

11.2.The foundation does not receive support from the ministry; the ministry finances up to 50% of the activity, which constitutes a budgetary power multiplier and enables a broader response to the target population.

11.3.The Foundation has undertaken that any engagement with additional parties, to the extent that it arises from the engagement with the Ministry, will be included in the tender.

11.4.The fund will provide from its sources an amount not less than half of the cost of implementing the project.

11.5.The ministry published a procedure for examining the existence of projects in accordance with Regulation 3B of the Public Works and Construction Act, and no objections were received.

12.In terms of program control procedures, the ministry notes that the relevant district inspector from each administration conducts sample controls in each department, where, among other things, he is responsible for verifying the manner in which basic data is recorded, compliance with the criteria for assistance, and the existence of documentation of assistance in the intervention file as part of the treatment plan.

13.Mr. Daniel Goldin, Social Offices Supervisor, recommends approving the contract.

Confirm

Confirmation details	First name and last name	role	Committee role	Notes
Approval	Benjamin Menachem	Senior Deputy Accountant General	Committee Chairman	
Approval	Jonathan Resnik	Senior Deputy Accountant General	Committee member	
Approval	Galia Yamin	Legal Advisor	Legal advisor	



30.03.2025